

Amendments to the Specification:

Please replace paragraph [05] with the following amended paragraph:

[05] Recently there have been a number of new products which provide at least partial solutions to the problems of the unbanked and other consumers. For example, "prepay" cards allow consumers to pre-purchase various goods and services. An ~~important~~ example of prepaid cards relates to the use of telecommunications services, which are available through prepaid "calling cards". Many consumers prepay their calling cards on a monthly basis ~~for in order to~~ obtain "dial tone" service. As with calling cards, other ~~Prepaid~~ prepaid cards ~~can~~ are also be reloadable whereby additional value can be added to the prepaid cards by consumers ~~for using~~ allowing consumers to use their cards indefinitely.

Please replace paragraph [06] with the following amended paragraph:

[06] Another prior art payment system involves the use of payment service providers making payments on behalf of consumers over the Internet global computer network or by negotiable instrument. Such a payment service is available from Western Union Commercial Services under its trademark QUICK COLLECT. This product allows consumers to make payments to Western Union agents who then transfer funds either over the Internet global computer network or ~~by issue~~ issuing negotiable instruments to the payees on behalf of the customers/payors. The customers submit certain identifying information each time they use this service.

Please replace paragraph [09] with the following amended paragraph:

[09] In one embodiment, the invention enables a payment service provider to contract with its clients (consumer providers) to facilitate customers of the consumer providers to make payments

and prepayments ~~made by customers or consumers~~ for goods or services offered by the consumer ~~provides~~ provider. The customers may interface with the payment service provider through any one of a number of different interfaces. A unique identifier is assigned to each customer and may comprise of any suitable character string or similar unique identifier. For example, customers using the payment service to prepay for phone time may utilize their telephone numbers as their identifiers. Commercial clients may pre-enroll their customer databases with the payment service provider. In an embodiment of the present invention, The the payment service provider requests the identifier from each customer when the customer is ready to pay for a good or service from the consumer provider. The identifier is used to access information from ~~the~~ a customer database. In one aspect the customer database is a database created by the consumer provider. The payment service provider, or its agents, receives payment from the customer and produces a record of payment. The payment information along with the payment may then be electronically transmitted to the consumer ~~service~~ provider.

Please replace paragraph [10] with the following amended paragraph:

[10] In one embodiment, a method for prepaying for goods and services proceeds by having a consumer provider that is to provide the goods or services transmit a set of identifiers to a payment service provider. Conveniently, these identifiers may be sent to a host computer of ~~payment~~ the payment service provider. When a consumer is ready to receive a good or service, the consumer provider is contacted and the consumer is issued one of the identifiers. The consumer then contacts the payment service provider, gives the payment service provider the identifier, and makes the payment. This information may be entered into a terminal so that an

electronic record may be made and transmitted to the host. The payment information may also be sent to the consumer provider and a wire transfer of the payment made to the bank account of the consumer provider. In an aspect of the invention, The the consumer may contact the consumer provider and give the identifier to the consumer provider to receive the good or service. In a different aspect of the invention, This this step may also occur automatically since payment information may be sent from the host to the consumer provider.

Please replace paragraph [11] with the following amended paragraph:

[11] In one aspect, when the consumer provides the identifier to the payment service provider, it may be used to call up a screen on the terminal with the consumer's account information. In this aspect, the account information will generally identify any taxes to be paid by the consumer for the goods or services. Optionally, the host may communicate with a database to calculate any applicable taxes. This tax information may be sent to the terminal so that taxes may be paid as well by the consumer. The payment and taxes may be sent to the consumer provider to facilitate payment of taxes by the consumer provider. The payment service provider may also collect a fee for its service.

Please replace paragraph [12] with the following amended paragraph:

[12] Such a method is useful in paying for a variety of goods and services. For example, the method may be used for service activation (such as phone service), for adding time to a cell phone, or the like. When related to phone service, the payment information may be sent from the host to a phone switch to almost instantaneously activate a phone service or add time to a phone service.

Please replace paragraph [34] with the following amended paragraph:

[34] Referring to the drawings in more detail, the reference numeral 2 generally designates a payment system embodying the present invention. As shown in the block diagram Fig. 1, the system 2 includes a payment service provider 4 for facilitating payment from a customer/payor 6 to one or more clients/payees 8.

Please replace paragraph [35] with the following amended paragraph:

[35] Each customer/payor has a unique ID 10, which can comprise any suitable identifier. Conventional identifiers such as name, social security number, PIN, etc. are acceptable. Moreover, the system 2 can accommodate anonymous customers/payors 6. Such customers 6 can maintain their anonymity by creating their own IDs 10. The ID 10 can also comprise the customer's telephone number. Thus, the system 2 can be used for paying for telephone services using only the customer's telephone number for identification purposes. The customer in this model does not even have to provide an address or any other personal information. Similar identification arrangements could be used with other clients 8, i.e. accepting payments on accounts with the customers identified by their respective account numbers. The customer 6 interfaces with the payment service provider 4 through an interface 12. The interface 12 can comprise any suitable form or device for communications, including telephone (which can incorporate voice recognition (VR)[[]]), worldwide web (Internet), mail, in-person, a point-of-sale (POS) terminal with a card reader, e-mail, or any other suitable interface. ~~Examples of POS terminals that may be used are described in copending U.S. Application Nos.~~

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method which commences with the enrollment of a new customer/payor at 22 followed by an ID 10 that is assigned at 24. An account 17 is established with the payment service provider 4 at 26. Optionally a card 20 can be issued to the customer 6 at 27. The card 20 can comprise an ID card, a reloadable/stored value card, a credit card, a debit card, etc. Any suitable card configuration can be utilized. For example, preprinted cards with concealed customer IDs 10 can be inventoried with the agent network 14 for distribution upon enrollment. However, the system 2 can function without any cards whatsoever simply by assigning unique customer IDs 10 for purposes of conducting all payment transactions. A payment is made on the account at 28. The payment is applied at 30 and the subaccount records are updated at 32. A decision is made at a decision box 34 if another transaction is to be conducted. If so, the process returns to the payment application step 30 whereby the customer's payment can be applied to another account. If not, the process ends. ~~[KEITH, THIS PARAGRAPH NEEDS TO TIE INTO THE SYSTEM TO SHOW HOW THE DATA FLOWS. DO YOU KNOW WHAT WAS INTENDED?]~~

Please replace paragraph [39] with the following amended paragraph:

[39] Fig. 3 shows a method of enrolling the customer base of a client 8 including the step of the client creating a customer database at 38. At 40 the database is formatted, preferably pursuant to the standards established by the payment service provider 4 to facilitate automation of the payment process. All of the customers 6 in the client's customer database can automatically be enrolled in the payment service at 42. The customers 6 can be notified of the payment service availability at 44, whereupon the new customer can contact the payment service provider 4 at 46 and activate the account at 48. The customer ID 10 is assigned at 50, the

customer makes a payment on a client's account at 52, and the client's records are updated at 54.

~~[SAME FOR THIS PARAGRAPH]~~

Please replace paragraph [40] with the following amended paragraph:

[40] Fig. 4 shows a methodology for establishing payment parameters. At 58 the client designates the products for payment service. The system and method can accommodate clients with multiple products by allowing flexibility in establishing the payment parameters for each and by accommodating different payment directions from customers 6 on the various products. The client designates its payment denominations (e.g. \$5, \$10, \$20, etc. increments) at 60 and applies the payment denominations to its products at 62. The payment service plan can optionally be configured to accept exact payments of any amount without applying predetermined payment denominations. Payment service provider fees are established at 64. The fees can reflect the nature of the clients' accounts. For example, payment bands can be input at 66 wherein various bands are applicable according to the number of customers. Pricing can also be based on the ranges of principle payment amounts at 68. The fees associated with the transactions are input at 70. The payment service provider 4 can set a variable fee schedule[[,]] taking into account factors such as pricing, principle, and fee bands, and ranges at 72.

Please replace paragraph [41] with the following amended paragraph:

[41] Fig. 5 shows a dynamic client/customer interface methodology wherein the customer enrolls with the payment service provider at 76, makes a payment at 78, and is issued a receipt at 80. The customer is assigned an ID at 82. Client messaging to the customer is communicated at 83 and can include the customer service number. The value of the available payment service is

designated at 84. A coupon is printed at 85 for eligible customers 6. Customer eligibility is determined at 86 and ineligible customers are excluded at 88. ~~[SAME FOR THIS PARAGRAPH]~~

Please replace paragraph [47] with the following amended paragraph:

[47] Fig. 11 shows a methodology for making payments using various options. The customer initiates a payment at 194 and provides his or her ID at 196. Various payment options are displayed, and can include negotiable instruments (e.g. checks, cashier checks, money orders, etc[.]), credit cards, debit cards, etc. A payment method is selected at 200 and is verified at 202 to ensure that good (i.e., collectable) funds are available from the customer 6 utilizing the selected payment method. The payment is accepted at 204.

Please replace paragraph [48] with the following amended paragraph:

[48] An additional product support procedure is shown in Fig. 12 and commences with the client 8 identifying multiple products to be supported at 208. For example, a telecommunications client might provide various products such as prepaid dialtone, prepaid cellular, prepaid internet access, and insurance. All of these products can be provided on a single card. A premium fee can be charged by the payment service provider 4 at 210. Destination codes can be assigned to the client's various products and a preferred customer screen created for displaying same at 212 and 214 respectively. The client's products can be displayed on the preferred customer screen at 216 whereby the customer can choose a product to pay on at 218. At 220 the customer chooses the amount to pay on the chosen product. At decision box 222 the

customer has the option of choosing another product to pay on. If affirmative, the preferred customer screen with the multiple products is displayed again. Otherwise, the sub-routine ends.

Please replace paragraph [49] with the following amended paragraph:

[49] Fig. 13 shows a client-specific enrollment methodology, as contrasted with a generic enrollment procedure commencing with client-specific payment service advertising which identifies the payment service provider 4 and directs potential customers to its agent network 14. The payment service provider agent enrolls a customer on behalf of the client at 226. The customer is typically either a present or prospective customer for the client's goods or services and has been directed to the payment service provider's agent network 14 as a way of paying for same. At 228 the customer and the payment service provider agent select the features and pricing desired by the customer for the client's products. An account number can optionally be assigned on behalf of the client by the payment service provider agent at 230. The payment service provider is paid by the customer at 232, and in turn pays the agent at 234. ~~[SAME FOR THIS PARAGRAPH]~~

Please replace paragraph [52] with the following amended paragraph:

[52] For whatever reason, consumer providers may choose to utilize a payment system to collect payments on their behalf. In such cases, consumer providers 306 issue unique identifiers which are associated with a good or service and are electronically transmitted to host 302 where they may be stored in database 304. These identifiers may be associated with specific consumers. For example, when requesting a good or service, the consumer provider may create

an account and an identifier is associated with the account and issued to the consumer.

Alternatively, the identifiers may be associated with a service, but not to any given consumer.

For example, the identifiers may be associated with some type of stored value, such as phone time, dollars and the like. This value may be redeemed simply by presenting the identifier to the consumer provider.

Please replace paragraph [53] with the following amended paragraph:

[53] On the payment side, payments may be made to any payment service provider location. Payment may be made in a variety of forms, including those described in connection with Fig. 1. The payment information is entered into computer 308 that may comprise any device capable of communicating with host 302. For example, computers may comprise a traditional desktop PC as is known in the art, a point of sale device ~~such as described in copending application no.~~ [[_____]], and the like.

Please replace paragraph [54] with the following amended paragraph:

[54] Computers 308 communicate with host 302 in order to obtain the identifiers and any associated payment information. For example, when ready to make a payment, a consumer may present ~~their~~ his/her identifier which is entered into computer 308. This information is transmitted to host 302 where any relevant information regarding the required payment is transmitted back to computer 308. For instance, computers 308 may present a screen with the identifier and the amount of payment required to receive a good or service from the consumer provider. In some cases, the consumer may not yet have an identifier and may simply request to purchase a good or service from a consumer provider. For instance, the consumer may wish to

purchase phone time from a certain phone company. In such cases, the consumer makes a request to purchase phone time from a certain provider. This information is entered into computer 308. The computer 308 may then display payment options for that provider as received from host 302. For example, payment in increments of \$5, \$10, \$25 and \$50 may be accepted. Upon receipt of payment, an identifier is issued to the consumer. Conveniently, a printer 309 may print a receipt with the identifier.

Please replace paragraph [56] with the following amended paragraph:

[56] Upon tendering payment, an electronic record of the payment along with the associated identifier is created and transmitted to host 302 where it may be stored in database 304. This payment information may also be transmitted to consumer provider 306 so that the good or service may be provided to the consumer. If the services relate to telecommunications, the payment information may also be sent from host 302 to a switch 310 to permit the telecommunications service to be promptly provided. For example, if the consumer purchased cell phone time, the consumer provider's switch would receive the payment information and add time to the phone, typically before the consumer leaves the location where payment is made. Of course, the instructions to the switch could also be sent from the consumer provider as well. Receipt of payment information may also trigger the providing of other services, such as service activation, shipping of order goods, [[_____],] and the like. In some cases, the service may not be activated or the order good provided until the consumer contacts the consumer provider and gives the issued identifier. For example, phone time may be purchased, but not activated until the phone company is contacted and given the identifier. When the good

is a stored value, this record may be stored in database 304 and transmitted to consumer provider

308. When a good or service is ordered from provider 308, the identifier is presented and the stored value account is debited for the purchase price.

Please replace paragraph [58] with the following amended paragraph:

[58] Hence, system 300 provides consumers with an easy way to purchase goods or services. Further, such goods and services are provided in an efficient manner ~~and~~ that provides rapid payment to the consumer provider.

Please replace paragraph [59] with the following amended paragraph:

[59] Another feature of system 300 is that consumer provider 306 may also be provided with access to host 302. In this way, the consumer provider may do a look-up to see if a payment was posted correctly, to see the status of a payment, or the like. Further, regular updates may be sent from consumer provider 306 to host 302 so that consumer accounts may be kept current.

Please replace paragraph [60] with the following amended paragraph:

[60] Referring now to Fig. 15, one method for pre-paying for a good or service will be described. Initially, a consumer enrolls with a consumer provider as shown in step 320 to order a good or a service. For example, services that may be ordered include phone service, including phone minutes, a stored value service, [[_____]] and the like. Goods that may be purchased include essentially any type of good including retail items, clothing, furniture, sporting goods, cosmetics, toiletries, durable goods, vehicles, and the like.

Please replace paragraph [61] with the following amended paragraph:

[61] When a request is made for a purchase, an electronic account may be created to record the requested item and the price along with any other relevant information. A unique identifier is also included in the record to uniquely identify the request. This identifier may be any type of identifier as previously described, including phone numbers, order numbers, credit card numbers, social security numbers, and the like. The consumer is presented with this number along with instructions as to where a payment may be made. For example, the consumer provider may access a payment service provider locator to tell the consumer the closest location where a payment may be made.

Please replace paragraph [65] with the following amended paragraph:

[65] Referring to Fig. 16, another payment method will be described. This method is particularly useful in prepaying from some type of stored value card, without requiring the issuance of a physical card. In this way, an identification number may be used to “store” a stored value. For example, a consumer may purchase a stored value of phone time that is associated with an identifier. This identifier may then be presented to the phone company to add calling time to a phone.

Please replace paragraph [66] with the following amended paragraph:

[66] The process begins at step 334 where a consumer provider sends identifiers to a payment service provider. These may be electronically transmitted to a host computer and stored in a database. The identifiers are redeemable by consumers to receive a service. For example, the identifiers may be redeemed to receive a certain number of minutes on a phone, to purchase goods at retail, over the web, over the phone, or the like. When ready to pay for such goods or

services, the consumer contacts the payment service provider and requests to pay for a certain good or service as shown in step 336. For example, the consumer may request to purchase a \$20 calling card, a \$20 retail card, or the like. Using a terminal, the host is contacted to see if such a good or service is available. If so, payment is made and payment information is entered into the terminal. Also one of the identifiers is associated with the payment, and a receipt is issued to the consumer with the identifier as shown in step 338. The payment information and associated identifier are sent from the terminal and to the host where it may be transmitted to the consumer provider as shown in step 340.

Please replace paragraph [69] with the following amended paragraph:

[69] The invention may also be used to activate a service, such as phone service, utility service or the like. One example of such a process is illustrated in Fig. 17. Initially, a consumer contacts a service provider to request a service as shown in step 346. An account is set up with the consumer ~~service~~ provider and a record is created containing the information needed to provide the service. To pay for the service, the consumer is instructed to contact a payment service provider.

Please replace paragraph [71] with the following amended paragraph:

[71] At step 350, the consumer contacts the payment service provider and requests that a payment be made to the consumer ~~service~~ provider. The account information may be accessed from the host computer by using a terminal. The display screen may display the appropriate account information along with the required payment and any service fee. The consumer then makes the payment, and an identifier is issued to the consumer as shown in step 352. For

example, a receipt may be printed with the identifier. Conveniently, the identifier may be assigned to the account by the consumer ~~service~~ provider when the account is created.

Please replace paragraph [72] with the following amended paragraph:

[72] At step 354, the payment is electronically sent to a bank account of the consumer provider. This may be an ACH transfer using the host computer. At step 356, the payment information, along with the identifier, is also sent to the consumer provider. The consumer ~~service~~ provider may then activate the requested service.

Please replace paragraph [74] with the following amended paragraph:

[74] In such cases, the consumer ~~service~~ provider provides the payment service provider with account numbers and PINs. These are associated with physical cards and the account numbers may be embossed on the cards. When one of these cards ~~are~~ is purchased, the stored value is stored by the host computer. When a purchase is made, the request is sent to a debit system that is capable of processing ACH transactions. This debit system contacts the host computer to verify the account and provide the appropriate debit to the account. Hence, once the account balance reaches zero, no more purchases may be made without contacting the payment service provider to reload the account. In this way, a card is only good for the amount of prepayment. Further, the card may only be used with the PIN, thereby reducing the chances of fraudulent purchases.